

MOTION NO. M2014-32

**Sole-Source Contract for BNSF Flagging/Inspection Services for existing and future Sounder projects**

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Capital Committee	5/08/14	Recommend to Board	Ahmad Fazel, DECM Executive Director Eric Beckman, Deputy Executive Director, Business & Construction Services
Board	5/22/14	Final Action	<b>Jon O'Hare, Project Manager</b>

PROPOSED ACTION

Authorizes the chief executive officer to execute a sole-source contract with the Burlington Northern Santa Fe Railway for railroad required flagging and inspection services on existing and future Sounder projects consistent with the Board-adopted project budgets.

KEY FEATURES SUMMARY

- This motion authorizes a sole-source contract with Burlington Northern Santa Fe Railway (BNSF) for flagging and inspection services on all existing and future Sounder construction and maintenance projects.
- For safety reasons, BNSF does not allow any other entity to provide flagging and inspection services in its right of way.
- The action will allow current Sounder projects to maintain full-time flaggers in support of ongoing construction as well as provide for future needs.
- The action will also streamline the contracting process by authorizing a general sole source contract with BNSF that applies to current and future Sounder projects.
- Flagging and inspection services are budgeted within each Sounder project. Expenditures under this contract will not exceed respective approved project budget.

BACKGROUND

Sound Transit is constructing two Sounder stations and rail improvements on BNSF property between Everett and Lakewood. Inspectors are employed on each project to ensure that work on BNSF property meets or exceeds design specifications and safety standards. Flaggers are employed to prevent accidents. Sound Transit contracts exclusively with BNSF to provide railroad flaggers and inspections because, for safety reasons, BNSF mandates that its own employees must perform all flagging and inspection services next to its railroad tracks; BNSF will not allow third-parties to act as flaggers or as inspectors for work affecting railroad operations or safety. Thus, BNSF is the only source practically available from which to procure the services.

Each project budget approved by the Board includes funding to pay BNSF for flaggers and inspectors needed for the specific project. But because the contract for flagging/inspection services is a sole-source contract under both Sound Transit and federal grant rules, and because the total cost of the current and future flagging/inspection services over the next five years will exceed \$100,000, the Board approval is required for the sole-source contract award.

Executing one blanket sole-source contract with BNSF for flagging and inspection services for all current and future Sounder projects consistent with the approved project budget will allow Sound Transit to streamline the procurement process and will comply with federal funding requirements.

## FISCAL INFORMATION

Budget for flagging/inspections under this motion will come from individual Sounder project budgets as they arise. The Board adopted annual budget includes sufficient funding to pay for the flagging and inspection services. The 2014 Adopted Budget includes funding for the estimated \$300,000 in flagging and inspection services needed this year.

## SMALL BUSINESS/DBE PARTICIPATION AND APPRENTICESHIP UTILIZATION

### **Participation by Small Businesses and Disadvantaged Business Enterprises (DBEs)**

Sound Transit promotes and encourages small business participation, which also includes Disadvantaged Business Enterprises (DBEs). Small Business and DBE goals are based upon an examination of subcontracting opportunities contained in the work of this contract and the number of Small Businesses/DBEs available to perform such subcontracting work.

Sound Transit determined that Small Business and DBE subcontracting opportunities are infeasible or improbable based upon the work described in this contract, so Small Business/DBE goals were not established or required. BNSF self performs the flagging and inspection services and does not subcontract for this work.

## PUBLIC INVOLVEMENT

Not applicable to this action.

## TIME CONSTRAINTS

A one month delay could significantly affect the project schedule.

## ENVIRONMENTAL REVIEW

JI 5/2/2104

## LEGAL REVIEW

DB 5/2/2014

**MOTION NO. M2014-32**

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a sole-source contract with the Burlington Northern Santa Fe Railway for flagging and inspection services on existing and future Sounder projects consistent with the Board-adopted project budgets.

**BACKGROUND**

Sound Transit is constructing two Sounder stations and rail improvements on BNSF property between Everett and Lakewood. Inspectors are employed on each project to ensure that work on BNSF property meets or exceeds design specifications and safety standards. Flaggers are employed to prevent accidents. Sound Transit contracts exclusively with BNSF to provide railroad flaggers and inspections because, for safety reasons, BNSF mandates that its own employees must perform all flagging and inspection services next to its railroad tracks; BNSF will not allow third-parties to act as flaggers or as inspectors for work affecting railroad operations or safety. Thus, BNSF is the only source practically available from which to procure the services.

Each project budget approved by the Board includes funding to pay BNSF for flaggers and inspectors needed for the specific project. But because the contract for flagging/inspection services is a sole-source contract under both Sound Transit and federal grant rules, and because the total cost of the current and future flagging/inspection services over the next five years will exceed \$100,000, the Board approval is required for the sole-source contract award.


Executing one blanket sole-source contract with BNSF for flagging and inspection services for all current and future Sounder projects consistent with the approved project budget will allow Sound Transit to streamline the procurement process and will comply with federal funding requirements.

**MOTION:**

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a sole-source contract with the Burlington Northern Santa Fe Railway for flagging and inspection services on existing and future Sounder projects consistent with the Board-adopted project budgets.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on May 22, 2014.

ATTEST:

  
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Paul Roberts  
Board Vice Chair  
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Marcia Walker  
Board Administrator